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MICHIGAN LABOR MARKET REVIEW

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JOB SERVICE
Michigan Employment Security Commission

STATE JOBLESS RATE INCHES UPWARD

The Michigan unemployment rate rose by three-tenths of a percentage point as the jobless rate inched upward from 6.1 percent in April to 6.4 percent in May. The rate increase represents 15,000 additional individuals out of work, as total state residents seeking employment climbed to 293,000. The increase in joblessness was primarily a result of an expanded labor force as jobseekers began searching for summer employment. Total employment in May registered a gain as the number of employed statewide residents advanced by 26,000 to reach 4,285,000. Additionally, the civilian labor force jumped to 4,578,000, a growth of 41,000. Compared with a year ago, employment in Michigan has increased by 56,000, while the size of the labor force has grown by 53,000. In May 1988, the total number of persons out of work amounted to 296,000, representing an unemployment rate of 6.4 percent.

JOB OPPORTUNITIES CONTINUE TO EXPAND

Total nonagricultural wage and salary employment in Michigan increased as industry jobs expanded to 3,883,000 in May. Employment opportunities rose by approximately 30,000 as gains were centered in both the goods producing and service producing sectors of the economy. Total employment in the goods producing industries climbed by 11,000 primarily as a result of seasonal growth in the construction industry. Service producing employment advanced by 20,000 to 2,782,000 in May, as retail trade and service gains offset governmental declines. Public sector positions slipped by 3,000 as educational facilities began to trim staff levels. Since May 1988, industry employment in the Michigan has increased by 76,000 positions or two percent. Approximately 8,000 goods producing jobs have been added throughout the year, while service producing employment climbed by 69,000.

Civilian Labor Force, Employment, and Unemployment Estimates

State of Michigan

ITEM	MAY 1989	APR 1989	MAR 1989	MAY 1988
PLACE OF RESIDENCE				
Civilian Labor Force	4578	4537	4568	4525
Employment	4285	4259	4243	4229
Unemployment	293	278	324	296
Rate	6.4	6.1	7.1	6.5
PLACE OF WORK				
Wage and Salary Employment	3883	3853	3819	3807
Goods Producing Industries	1102	1091	1077	1094
Construction and Mining	149	138	130	145
Mining	11	11	10	11
Construction	138	127	120	135
Special trade Contractors	88	83	80	88
Other Construction	50	44	40	47
Manufacturing	952	953	947	949
Durable Goods	730	732	727	727
Lumber and Wood Products	15	15	15	15
Furniture and Fixtures	34	35	34	33
Stone, Clay and Glass Products	20	20	19	19
Metals	166	167	167	166
Primary Metals	47	47	47	47
Fabricated Metals	119	120	120	119
Nonelectrical Machinery	123	124	124	119
Electrical Machinery	36	35	35	35
Transportation Equipment	312	313	310	317
Motor Vehicles and Equipment	295	296	292	298
Other Transportation Equipment	17	17	17	19
Other Durable Goods	23	23	23	23
Nondurable Goods	222	221	221	222
Food and Kindred Products	41	40	40	44
Textiles and Apparel	21	21	21	22
Paper and Allied Products	21	21	20	21
Printing and Publishing	43	43	43	42
Chemicals and Petroleum	44	44	44	44
Other Nondurable Goods	51	51	52	50
Rubber and Plastic Prod.	49	49	49	47
Leather Products	3	3	3	2
Service Producing Industries	2782	2762	2742	2713
Trans., Comm. and Utilities	154	153	151	156
Transportation and Utilities	121	120	118	121
Communications	33	33	33	35
Wholesale Trade	197	194	193	186
Durable Goods	125	125	124	120
Nondurable Goods	71	70	69	67
Retail Trade	718	705	695	698
General Merchandise Stores	100	99	99	98
Food Stores	109	107	106	100
Automotive Dealers and Services	79	78	78	78
Eating and Drinking Places	246	238	232	244
Other Retail Trade	185	182	180	178
Finance, Insurance and Real Estate	188	187	185	186
Finance	96	96	95	93
Insurance and Real Estate	92	91	90	92
Services	879	875	868	852
Business Services	191	189	189	183
Health Services	283	282	281	277
Other Services	406	404	399	392
Government	645	648	650	634
Federal	60	60	60	61
State	159	169	167	155
Local	426	420	423	418

CIVILIAN LABOR FORCE data are based on the monthly Current Population Survey of the U.S. Bureau of Labor Statistics - 1988 Benchmark.

WAGE AND SALARY EMPLOYMENT is based on a monthly sample of employing establishments as part of the cooperative federal-state Current Employment Statistics program - March 1988 Benchmark.

CLAIMS ACTIVITY

The number of individuals collecting regular unemployment benefits decreased for the third consecutive month in May. The regular benefits claims load averaged 91,883 per week during the month, approximately 24,939 less than the April total.

The 21 percent decrease was primarily due to a stable economy. In May 1988, the number of claimants drawing benefits under the regular benefit program averaged 104,846.

WEEKLY CLAIMS FOR UNEMPLOYMENT INSURANCE

Week Ending	Michigan			Detroit		
	Total	Initial	Continued	Total	Initial	Continued
May 06, 1989	107,000	11,100	95,900	48,600	4,700	43,900
May 13, 1989	103,000	11,000	92,000	48,000	4,900	43,100
May 20, 1989	97,300	10,400	86,900	46,300	4,900	41,400
May 27, 1989	96,700	16,100	80,600	46,600	8,000	38,600

AREA PRICES CONTINUE TO RISE

Consumer prices in the Detroit metropolitan area increased from 120.1 in February to 121.7 in April. The increase in Detroit area prices was primarily due to higher costs for apparel and transportation. Prices in the area climbed by 6.4 percent since April 1988, when the consumer price index stood at 114.4. At the national level, the cost of living advanced by six-tenths of a percent to reach 123.8 during the month.

The higher national prices were also due to additional costs for transportation. Between May 1988 and May 1989, national consumer prices increased by 5.4 percent. One year ago, the national index registered 117.5. Note: Beginning in January 1987, the Consumer Price Indexes were shifted to a new reference base year. All indexes expressed on a 1967=100, were rebased to 1982-1984=100.

HOURS AND EARNINGS

The average workweek of Michigan workers in manufacturing industries decreased to 43.3 hours in May. The decrease occurred primarily as a result of fewer hours worked by individuals in the auto industry.

During the month average hourly earnings dropped by three cents to $13.63, while average weekly earnings decreased by $6.76 to total $590.18. In May 1988, earnings averaged $13.54 an hour or $591.70 per week for a 43.7 hour workweek.

MICHIGAN'S HOURS AND EARNINGS

Industry	Average Weekly Earnings a/			Average Weekly Hours a/			Average Hourly Earnings a/		
	May 1989	Apr 1989	May 1988	May 1989	Apr 1989	May 1988	May 1989	Apr 1989	May 1988
TOTAL MANUFACTURING	$590.18	$596.94	$591.70	43.3	43.7	43.7	$13.63	$13.66	$13.54
DURABLE GOODS	625.03	632.06	628.17	43.8	44.2	44.3	14.27	14.30	14.18
Primary Metal Products	613.43	615.19	621.60	44.1	44.1	44.4	13.91	13.95	14.00
Fabricated Metal Products	590.54	595.88	588.20	43.2	43.4	43.7	13.67	13.73	13.46
Nonelectrical Machinery	599.40	604.80	593.63	44.4	44.8	44.4	13.50	13.50	13.37
Electrical Machinery	499.53	513.32	508.89	43.1	44.1	42.8	11.59	11.64	11.89
Motor Vehicles & Equip.	742.34	754.39	750.20	44.8	45.5	45.8	16.57	16.58	16.38
NONDURABLE GOODS	468.83	473.34	465.92	41.6	42.0	41.6	11.27	11.27	11.20
Contract Construction	650.04	615.61	622.75	40.4	38.5	40.1	16.09	15.99	15.53
Department Stores	186.47	182.09	174.09	26.6	26.7	28.4	7.01	6.82	6.13

a/ Average weekly and hourly earnings are computed from aggregates of individual establishment reports utilizing the total amount paid to production workers and total production hours. Average weekly and hourly earnings differ from weekly and hourly rates in that they are affected by overtime wage rates, part-time earnings, the length of the workweek, etc.

Note: *Current month data are preliminary.*

CIVILIAN LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT ESTIMATES
MAY 1989 (Preliminary)

Area	Civilian Labor Force	Total Employment	Total Unemployment	Unemployment Rate
United States	123,196,000	117,039,000	6,156,000	5.0
Michigan	4,578,000	4,285,000	293,000	6.4
Major Labor Markets				
Ann Arbor MSA	163,900	158,400	5,500	3.3
Battle Creek MSA	63,900	59,700	4,200	6.6
Benton Harbor MSA	80,000	74,500	5,400	6.8
Detroit MSA	2,201,000	2,058,000	143,000	6.5
Flint MSA	185,600	168,800	16,700	9.0
Grand Rapids MSA	362,600	345,800	16,700	4.6
Jackson MSA	65,800	61,600	4,100	6.2
Kalamazoo MSA	116,600	111,300	5,300	4.5
Lansing MSA	244,000	232,500	11,500	4.7
Muskegon MSA	67,300	61,500	5,800	8.6
Saginaw-Bay-Midland MSA	181,300	169,800	11,500	6.4
Upper Peninsula LMA	135,200	124,400	10,800	8.0
Major Counties (15,000+)				
Allegan	56,050	53,625	2,425	4.3
Barry	22,400	21,125	1,275	5.7
Bay	52,500	48,625	3,875	7.4
Branch	18,200	16,850	1,325	7.3
Cass	22,375	20,950	1,425	6.4
Clinton	30,225	28,900	1,325	4.4
Delta	15,975	14,750	1,225	7.7
Eaton	52,850	50,500	2,350	4.5
Grand Traverse	35,500	33,250	2,250	6.3
Gratiot	18,300	17,025	1,275	6.9
Hillsdale	19,550	18,225	1,300	6.7
Huron	16,275	14,950	1,325	8.2
Ingham	160,925	153,125	7,800	4.8
Ionia	19,125	17,500	1,625	8.5
Isabella	28,475	27,175	1,300	4.5
Kent	266,375	253,800	12,575	4.7
Lapeer	33,525	30,850	2,675	8.0
Lenawee	42,775	40,500	2,275	5.3
Livingston	54,225	51,600	2,625	4.8
Macomb	382,275	359,250	23,025	6.0
Marquette	28,500	26,625	1,875	6.6
Mecosta	16,125	15,200	925	5.7
Midland	34,725	32,900	1,825	5.3
Monroe	63,925	60,075	3,850	6.0
Montcalm	24,125	22,375	1,750	7.3
Newaygo	18,050	16,275	1,775	9.9
Oakland	589,025	557,900	31,125	5.3
Ottawa	96,175	92,050	4,150	4.3
Saginaw	94,100	88,275	5,825	6.2
St. Clair	67,125	61,375	5,750	8.6
St. Joseph	27,150	25,275	1,900	7.0
Sanilac	20,025	18,350	1,675	8.3
Shiawassee	33,700	31,075	2,625	7.8
Tuscola	23,550	21,525	2,050	8.7
Van Buren	32,650	30,275	2,400	7.3
Wayne	1,010,775	937,000	73,750	7.3

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